

Large Local Major Schemes:

Bid for construction funding (March 2017 round)

Part One: Bid Template

Scheme Name	Great Yarmouth Third River Crossing (GYTRC)
Lead LEP	New Anglia Local Economic Partnership
Promoting Authority	Norfolk County Council
Contact	Name: Ian Parkes Email: ian.parkes@norfolk.gov.uk Phone: 01603 223288

1. Introduction

Description

Great Yarmouth's harbour, and developing industrial areas associated with offshore energy growth, are isolated on a narrow peninsula with inadequate access.

The scheme is a new bridge over the River Yare, uniting the two halves of the town, connecting regeneration areas to strategic routes.

Objectives:

- Support regeneration and new jobs
- Support growth in the offshore energy sector and port
- Traffic relief on existing bridges
- Reduce congestion and delay
- Improve journey reliability
- Improve connectivity, reduce severance
- Reduce traffic in historic areas
- Improve access to industry and harbour
- Improve access for buses, cycles and pedestrians
- Reduce accidents
- Reduce carbon emissions
- Improve resilience

2. Scheme cost (£000s)				
	Preparation costs (between OBC and start of construction)	Land purchase	Construction costs	TOTAL
Base cost	7,752.3	11,410.1	64,074.8	83,237.2
Risk	2,394.9	3,524.8	19,794.5	25,714.2
Inflation	1,020.6	1,502.2	8,435.7	10,958.5
TOTAL	11,167.8	16,437.1	92,305.0	119,909.9

3. Funding request and profiling (£000s)							
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	Total
Requested funding from DfT	1,744.7	18,242.4	13,903.3	29,811.1	27,362.2	7,024.2	98,087.9
LA contribution	1,000	1,000	1,000	9,000	9,000	822	21,822
Third Party contribution	0	0	0	0	0	0	0
Total	2,744.7	19,242.4	14,903.3	38,811.1	36,362.2	7,846.2	119,909.9

4. Affordability
Norfolk County Council cannot afford to self-fund the scheme through borrowing mechanisms. The New Anglia LEP's guideline threshold is £75 million. Schemes costing more than this cannot be funded from regular Growth Deal funding. It would not be possible to deliver a scheme meeting the objectives for less than £75 million. The Large Local Major Schemes fund is for schemes that are not reasonably affordable for LEPs through the Growth Deal, or any other route. No other funding route has been identified which could deliver the scheme.

5. Value for Money
The Great Yarmouth Third River Crossing presents high value for money and would provide a much needed additional link across the River Yare to connect the strategic road network and wider urban area to the southern part of Great Yarmouth, which is a key economic growth hub and location of a significant and fast growing Enterprise Zone.

The full details of the costs and benefits are included within the Outline Business Case documentation, and a summary is provided below:

The present value of costs (PVC) is **£111.6 million**, which includes the full cost of constructing, operating and maintaining the scheme, and land purchase, discounted over a 60 year assessment period.

The initial present value of benefits (PVB) is **£349.3 million** calculated in accordance with DfT guidance in WebTAG.

The build-up of both PVB and PVC, and the calculation of the initial benefit-cost ratio (BCR) is set out below:

Analysis of monetised costs and benefits (Initial BCR)	(2010 prices discounted to 2010) (£000's)
Greenhouse Gases	1,827
Physical Activity (Active Mode Appraisal)	9,353
Accidents	12,539
Economic Efficiency: Consumer Users (Commuting)	62,370
Economic Efficiency: Consumer Users (Other)	144,040
Economic Efficiency: Business Users and Providers	122,632
Wider Public Finances (Indirect Taxation Revenues)	-3,485
Present Value of Benefits (PVB)	349,276
Cost to Broad Transport Budget	
Investment cost	107,391
Operating costs	4,172
Present Value of Costs (PVC)	111,563
Net Present Value (NPV)	237,713
Initial BCR	3.1

The initial BCR is **3.1** which means the initial Value for Money category is **high**

Additional benefits have been calculated as set out below, to give an adjusted BCR:

Adjusted BCR	(2010 prices discounted to 2010) (£000's)
Initial Present Value of Benefits (PVB)	349,276

Reliability Benefits - Business	2,483
Reliability Benefits - Non-Business	31,442
Wider Impacts – Economics	12,263
Adjusted Present Value of Benefits (PVB)	395,464
Cost to Broad Transport Budget	
Investment Cost	107,391
Operating Costs	4,172
Present Value of Costs (PVC)	111,563
Net Present Value (NPV)	283,901
Adjusted BCR	3.5

Following this adjustment, the BCR increases to **3.5** and is still within the **high** value for money category.

The OBC also gives details of non-monetised costs and benefits including Environmental impacts and regeneration impacts.

Benefit to Cost Ratio	3.5
Value for money category	High

6. Delivery

Key estimated delivery milestones, assuming DfT Programme Entry is granted in July 2017, are summarised below:

Publication of scheme orders/CPOs (see below)	January 2019
Completion of Public Inquiry (DCO EIP)	September 2019
Confirmation of all statutory orders and consents	February 2020
Completion of procurement	September 2018
Full Business Case submitted to DfT	March 2020
Start of Construction	October 2020
Scheme open to public	January 2023

7. Orders and consents	
Does the scheme require planning consent?	Yes
Has planning consent been applied for?	No
Has planning consent been granted?	No
Does the scheme require the purchase of land?	Yes
Do you envisage that CPOs will be necessary?	Yes
<p>What other statutory orders/consents are required? (e.g. highways orders, heritage consents)</p> <p>The full extent of required orders has not been determined, however, it is anticipated that in addition to CPO powers, orders are likely to be required.</p> <p>The full extent of orders required would be developed as part of the scheme design prior to submission of the planning application.</p>	<ul style="list-style-type: none"> • Power to alter layout, etc., of streets • Street works • Construction and maintenance of new, altered or diverted streets and other structures • Stopping up of streets and private accesses • Public rights of way • Temporary prohibition or restriction of use of streets • Access to site during construction • Agreements with street authorities • Traffic Regulation • Prohibition of entry, prohibition of motor vehicles, weight restrictions and speed limits
If CPO and other orders are required does your timetable assume that there will be a public enquiry?	Yes

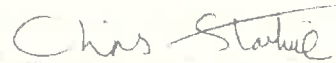
8. Declarations

Lead LEP officer

I confirm that this bid has the full support of New Anglia LEP and hereby submit it to DfT on the LEPs behalf for consideration.

Name: Chris Starkie
Position: Managing Director
Phone: 01603 510070
Email: chris.starkie@newanglia.co.uk

Signed:



Section 151 Officer declaration

As Section 151 Officer for Norfolk County Council I declare that the scheme cost estimates quoted in this bid are accurate to the best of my knowledge and that Norfolk County Council

- has allocated sufficient budget to deliver the scheme on the basis of its proposed funding contribution
- accepts responsibility for meeting any costs of delivering the scheme over and above the DfT contribution requested, including potential cost overruns, and the underwriting of any third party contributions
- accepts that no further increase in DfT funding will be considered beyond the maximum contribution requested

Name: Simon George

Signed:

